



# Know who you're dealing with and **protect** your business from risk

With corporate and employee fraud on the rise, it's vital for businesses to know that their customers, suppliers and staff are who they say they are and are in a position to protect their business from this threat.

» Don't get caught out, read our quick and easy tips on what you can do to prevent fraudulent activity and the negative impact that this form of activity could have on your company. **Remember no one wants to buy from a company they don't trust.**

## Understand your company's specific fraud risks

**1** Do you employ casual workers or have seasonal staff? Even if you don't, carrying out a thorough audit of your company's specific weaknesses will allow you to create and implement an effective internal process and fraud prevention to reduce the identified risks.

## Investigate any credit refusal

**2** If you use Company Credit Reports to monitor your own credit rating and are aware of your level of creditworthiness, a credit refusal can set you back. However, it may not be anything to do with your business directly; instead it could mean that your rating has been damaged by fraud. If this happens a Credit Reference Agency (CRA) will be able to review the information and advise on next steps.

## Check your bank statements regularly

**3** Fraudulent individuals will start by taking small, seemingly random amounts of money from your account e.g. £17.64 and if these go unnoticed, they will then start to ramp up their withdrawal activity and take larger amounts of money. By monitoring your statements, whether online or in paper form, it means the fraud could be discovered sooner and a resolution delivered swiftly.

## Invest in quality trace and identity products

**4** These products will enable you to verify both residency and identity of new and existing customers, as well as employees. These systems use the electoral roll, date of birth files and GRO indexes which makes the verification process quick and efficient, plus they give you the peace of mind knowing you are making informed business decisions.

## Monitor your own Company Credit Report

**5** In today's economic climate consumers are savvy to checking their personal credit reports and businesses need to follow suit. A change in aspects of your company credit report for example financials, directorships or group structure could signify fraud if you have not filed these changes.

## How Consumer Credit Reports can help

**6** If you offer consumers credit you need to firstly be confident that the person you are dealing with is who they say they are but also that they have a good credit record. With a consumer's permission you will be able to access their credit report. Use this to not only check their name and address, but also information on whether that individual can fulfil their credit commitments.

## Undertake essential customer due diligence

**7** If your business has to comply with anti-money laundering (AML) regulation, due diligence is a vital part of the process and ensures an accurate identification of the customer, especially as electronic identity verification (e-ID) has replaced the offline methods used to conduct ID checks, as online checks are cheaper, more secure and less time consuming.



» **Knowing who you're dealing with has never been more important in the fight to reduce the risk of fraud being faced by British businesses, especially as identity fraud is now the fastest growing financial crime in the UK with the Annual Fraud Indicator estimating losses of £73 billion last year. Having the right processes in place can help this, as well as working to protect your corporate image and increased confidence in your brand.**